

2.3 Meetings. The Members may but shall not be required to hold annual or periodic or other formal meetings. In any case, a meeting of the Members may be called at any time by the Managers or by any Member or Members holding at least twenty-five percent (25%) of the Membership Interests.

### ARTICLE 3

#### MEMBERSHIP INTERESTS; CAPITAL CONTRIBUTIONS

3.1 Membership Interests; Capital Contributions. The Members shall have the ownership interests ("Membership Interests"), and shall make the capital contributions to the Company, that are set forth on Schedule A attached hereto. The Company may issue membership certificates to the Members reflecting their respective Membership Interests.

3.2 Additional Capital Contributions. No Member shall be obligated to make any additional contribution to the Company.

3.3 Return of Capital Contributions. No Member shall be entitled to be paid interest on that Member's capital contribution, nor shall any Member be entitled to the return of that Member's capital contribution, except in connection with the Company's dissolution or as provided in Article 8 regarding payments to disassociating Members. No Member shall have any liability to repay to any other Member the amount of that Member's capital contribution. Upon dissolution of the Company, each Member shall look solely to the assets of the Company for a return of any capital contribution, and no Member shall have priority over any other Member for a return of such capital contribution. No Member shall be entitled to seek the partition of the Company's assets.

3.4 Changes in Membership Interests. The Managers shall amend Schedule A attached hereto from time to time to reflect the admission of new Members and any changes in the Membership Interest of any Member arising from the transfer of all or any portion of any Member's Membership Interest.

### ARTICLE 4

#### LIABILITY OF MEMBERS; LOANS

4.1 Liability. No Member shall have any personal liability for any debts or obligations of the Company.

4.2 Loans from Members. The Members may make loans to the Company from time to time, and such loans shall be repaid with interest on such arms-length, commercially reasonable terms as the Managers and the loaning Members may determine. Each Member shall have the opportunity to make loans to the Company in proportion to such Member's percentage of Membership Interests in the Company, provided that if a Member is unable or unwilling to make such a loan, any one or more of the other Members may loan additional funds to the Company to cover the amounts not loaned by such Member.



## ARTICLE 5

### PROFITS, LOSSES AND DISTRIBUTIONS; CAPITAL ACCOUNTS

5.1 Allocations. Except as may be required to company with the Special Allocation Provisions of the Tax Rules set forth in Schedule B attached hereto, Net Profit and Net Loss, as therein defined, shall be allocated to the Members in accordance with their Membership Interests.

5.2 Distributions. Distributions of cash or other property from the Company to the Members shall be made in accordance with the Members' Membership Interests. Such distributions shall be made by the Managers at such time and in such manner as the Managers may deem advisable, to the extent not limited by law due to the Company's insolvency or inability to pay its debts. Distributions to Members upon dissolution or liquidation of the Company shall be made in accordance with Article 7.

## ARTICLE 6

### MANAGEMENT

6.1 Managers. The Members, by vote thereof, shall elect Managers to manage the Business and other affairs of the Company. At all times, the minimum and maximum number of Managers shall be consistent with the Company's Articles of Organization as filed with the Secretary of State of the State of Maine. A Manager need not be a Member or a natural person. Each Manager shall hold office until a new Manager is elected in his or her place or until the Manager's earlier resignation or removal. The initial Managers of the Company shall be as listed on Schedule C attached hereto.

6.2 Authority. Subject to the limitations set forth in this Operating Agreement and any non-waivable provisions of applicable law, the Managers shall have full and exclusive authority and power to manage the Business and affairs of the Company and to act on the Company's behalf, including the authority and power to purchase, sell, mortgage, lease and dispose of real, personal and intangible property, hire employees, contract with third parties including affiliates, borrow money and pledge the assets of the Company.

6.3 Decision Making. At all times when there is more than one Manager, all management decisions shall be determined by a majority vote of the Managers unless a greater vote is required under this Operating Agreement or the Act. Consistent with the foregoing, no Manager shall take any action in contravention of a vote of the Managers, and any Manager violating this restriction shall be liable to the Company and the Members in accordance with Article 11. In the event of an impasse among the Managers, a temporary Manager may be appointed by the vote of Members holding a majority of Membership Interests in order to break the deadlock.



6.4 Action with a Meeting. The Managers may take any action without a meeting if written consents setting forth the action taken or to be taken are signed by all the Managers entitled to vote thereon at any time before or after the intended effective date of such action.

6.5 Third Parties. It shall not be necessary for any person dealing with a Manager to inquire as to the Managers authority to bind the Company, and any person dealing with the Company may rely without further inquiry upon a certificate signed by any Manager setting forth the identity and authority of any Manager or Member or any other matter whatsoever involving the Company or any Member. The act of any Manager within the ordinary course of the Business shall bind the Company unless (i) such Manager has no authority to act for the Company in such matter and (ii) the person who is dealing with such Manager has actual knowledge of the fact that such Manager has no authority to act for the Company in such matter.

6.6 Delegation of Authority of Managers; Officers. The Managers may elect officers, with such titles as they deem appropriate, to whom they may delegate such rights, duties and responsibilities as they shall from time to time determine. Such delegation shall not relieve the Managers of their responsibility for managing the Business or affect their ability to bind the Company in dealing with third parties. The officers may, but need not, be Managers of the Company. The Managers shall have the right to elect any successor or additional officer and to remove any officer. Officers shall hold office until a new election is held or until removal or resignation. The persons identified in Schedule C attached hereto shall serve as the initial officers of the Company.

6.7 Limitation on Authority of Managers and Officers. No Manager or officer of the Company may take any of the following actions without the prior consent of the Members:

- (a) dispose or contract for the disposition of all or substantially all of the Company's assets;
- (b) incur or refinance any indebtedness on behalf of the Company outside the ordinary course of business;
- (c) cause the Company to incur any obligation or make any capital expenditure, whether in a single transaction or a series of related transactions, outside the ordinary course of business;
- (d) compromise or settle any claim against, or inuring to the benefit of, the Company, if the amount in controversy is outside the ordinary course of business;
- (e) cause or permit the Company to engage in any activity that is inconsistent with the purposes of the Company as set forth in this Operating Agreement;
- (f) cause the Company to enter into any transaction with a Manager or Member or a person related to a Manager or Member, including but not limited to any compensation arrangement; or



(g) knowingly do or cause the Company to do any act in contravention of this Operating Agreement.

6.8 Duties; Compensation. Each Manager shall exercise his, her or its powers and discharge his, her or its duties in good faith with a view to furthering the interests of the Company and its Members, and with that degree of diligence, care and skill that ordinarily prudent persons would exercise under similar circumstances in a like position. Any Manager acting in violation of this Operating Agreement shall be liable to the Company and its Members for all costs and damages resulting from the actions so taken. Each Manager shall devote as much time to the Business as the requirements of the Business may dictate from time to time. Managers shall be paid such reasonable compensation for services rendered to the Company as may be approved by the Members, at then-existing market rates.

6.9 Members' Limited Role. Except as provided in this Operating Agreement or required by the Act, the Members shall have no voting or management rights. No Member may participate in the management of the Business in his, her or its capacity as a Member. No Member may bind the Company except in his, her or its capacity as a Manager.

## ARTICLE 7

### TERM; DISSOLUTION

7.1 Term; Dissolution. The Company shall exist perpetually until dissolved upon the occurrence of one or more of the following events:

- a) the agreement of Members holding at least two-thirds of the Membership Interests in the Company to dissolve the Company;
- (b) the sale or other disposition of all or substantially all of the assets of the Company; or
- (c) the entry of a decree of judicial dissolution under the Act.

7.2 Impact of Dissociation of Members. The Company shall continue in existence following the dissociation of a Member or the transfer of any Membership Interest, and no vote by the remaining Members is required for such continuation.

7.3 Winding Up; Liquidation; Distribution of Assets. Upon the Company's dissolution, the Managers shall take all necessary actions to wind up the Company's affairs, and the Company shall cease to actively conduct the Business. Upon completion of the winding up, the Managers shall make or cause to be made all appropriate filings with the Secretary of State of the State of Maine. The Managers, in accordance with applicable law, shall distribute or apply the Company's assets as follows:

- (a) sell or otherwise liquidate all of the Company's assets as promptly as practicable, except to the extent the Managers decide to distribute such assets in kind;



(b) discharge or make reasonable provision for the discharge of all liabilities of the Company, including liabilities to Members who are also creditors (other than liabilities to Members for distributions or the return of capital), and establish such reserves as may be reasonably necessary to provide for contingent liabilities of the Company; and

(c) after discharging or making reasonable provision for the discharge of all liabilities of the Company, distribute the remaining assets of the Company to the Members in accordance with the positive balances in the Members' Capital Accounts, after taking into account all Capital Account adjustments for the tax year of the dissolution.

## ARTICLE 8

### RESTRICTIONS ON SALES AND TRANSFERS OF MEMBERSHIP INTERESTS

8.1 Definitions. The following terms used in this Article 8 shall have the following meanings:

(a) "Bona Fide Offer" shall mean an offer made in writing to a Member to purchase all or any part of the Member's Membership Interest, which the Member desires to accept.

(b) "Deferred Payment Terms" shall mean the payment by the Optionee to the Transferring Member of an amount equal to ten percent (10%) of the purchase price and the delivery of a Promissory Note for the balance. Such note shall provide for equal monthly payments, commencing one (1) month after the initial payment, over a period of three (3) years, and shall bear interest at the Applicable Federal Rate in effect on the date of the initial payment, as determined by the Internal Revenue Service. Such note shall not be assignable and shall allow for prepayment without penalty.

(c) "Fair Value" shall mean the fair value agreed to by the Optionee and the Transferring Member within thirty (30) days after receipt by the Managers of the Transferring Member's notice of a desire to transfer his, her or its Membership Interest, except that if no agreement is reached within such thirty (30) day period, fair value shall be determined as follows:

(i) The Transferring Member and the Managers shall jointly appoint an independent appraiser. If the Company and the Transferring Member fail to agree on an appraiser within ten (10) days after an event requiring appraisal, then one appraiser shall be appointed by the Transferring Member, one by the Managers, and a third by the two appraisers so appointed. All such appointments shall be made within thirty (30) days after receipt by the Managers of the Transferring Member's notice. Failing such action within such period by a party or by the appraisers, any non-appointed appraiser or appraisers shall be appointed



by the American Arbitration Association, upon the application therefore by any party or appraiser.

(ii) Within thirty (30) days after the appointment of the last appraiser to be appointed, the appraisers shall determine the value of the Company as of the end of the quarter preceding the determination, or as of a date specified by the agreement of the Transferring Member and the Managers. The determination shall be made by agreement of a majority of the appraisers.

(iii) The appraisers shall promptly notify the Company and each Member, in writing, of the appraisers' final determination of the value of the Company, and such determination shall be conclusive and binding upon the Company and the Members.

(iv) If the Company and the Transferring Member agree on an appraiser, they shall each pay one-half of the fees and expenses of such appraiser. If the Company and the Transferring Member do not agree on an appraiser, each party shall pay all the fees and expenses of the appraiser appointed by that party plus one-half of the fees and expenses of the third appraiser.

(d) "Offered Interest" shall mean the Membership Interest proposed to be sold or transferred in accordance with Section 8.3 or Section 8.4.

(e) "Optionee" shall mean the Company, the Members in proportion to their Membership Interests, or any person or persons approved by the Managers, provided, however, that such determination shall be made only by Managers who have no affiliation with any Selling Member or Transferring Member. If more than one Optionee shall exercise its option, the priority among them shall be determined as follows: first, the Company's exercise shall be accepted up to one hundred percent (100%) of the Offered Interest; second, the remaining Members' exercise shall be accepted up to one hundred percent (100%) of any remaining Offered Interest; and third, the exercise of any other persons approved by the Managers shall be accepted up to one hundred percent (100%) of any remaining Offered Interest.

(f) "Selling Member" shall mean any Member or personal representative thereof, or any person, firm or corporation claiming by, through or under a Member, including without limitation any assignee for the benefit of creditors or trustee in bankruptcy or receiver, however appointed, of a Member and any creditor executing a judgment by involuntary sale through judicial process, who has received a Bona Fide Offer for the purchase of all or any part of his, her or its Membership Interest.

(g) "Transferring Member" shall mean any Member or personal representative thereof, or any person, firm or corporation claiming by, through or under a Member, including without limitation any assignee for the benefit of creditors or trustee in bankruptcy or receiver, however appointed, of a Member and any creditor executing a judgment by involuntary sale through judicial process, who desires to transfer all or any



part of his, her or its Membership Interest and who has not received a Bona Fide Offer for such Membership Interest.

8.2 General Restrictions. No Membership Interest may be sold, transferred or otherwise disposed of or transferred upon the books of the Company, nor shall any purported purchaser, transferee or assignee of a Membership Interest have any right to demand or require the transfer of any Membership Interest or have or exercise any of the rights of a Member, unless and until the provisions of this Article 8 shall have been fully satisfied. In no event shall a transfer be permitted without the unanimous consent of all Members if such transfer could, in the opinion of the Company's tax counsel, result in adverse Federal income tax consequences under Section 708 of the Internal Revenue Code.

8.3 Restrictions Applicable to Selling Members. If any Member desires to sell all or any part of that Member's Membership Interest, such Selling Member shall first notify the Managers of the nature of the Offered Interest, the name of the person to whom the Selling Member desires to sell the Offered Interest, and the terms of the Bona Fide Offer. For a period of forty-five (45) days following the receipt of such notice by the Managers (the "Sales Option Period"), the Optionees shall have the option to purchase the Offered Interest at the price and upon the terms set forth in the Bona Fide Offer. The Optionees collectively may not exercise such option as to less than the entire Offered Interest and must exercise such option by notice delivered in writing to the Selling Member prior to the expiration of the Sales Option Period, which notice shall fix a closing date for the purchase that is at least ten (10), but not more than ninety (90), days after delivery of such notice. If such option is not so exercised by the Optionees, the Selling Member may sell the entire Offered Interest to the person named in the Selling Member's initial notice, at the price and upon the terms set forth in the Bona Fide Offer, provided, however, that if the sale is not completed within thirty (30) days after the expiration of the Sales Option Period, the Selling Member must again comply with the provisions of this Article 8 before selling the Offered Interest.

8.4 Restrictions on Transferring Members. If any Member desires to transfer all or any part of that Member's Membership Interest (including without limitation by exchange or disposition by way of distribution pursuant to the terms of any will or trust), and if such proposed transfer is not subject to the provisions of Section 8.2, such Transferring Member shall first notify the Managers of the nature of the Offered Interest, the name of the person to whom the Transferring Member desires to transfer the Offered Interest, the manner of and reason for such transfer, and the consideration (if any) to be paid. For a period of forty-five (45) days after the Fair Value of the Offered Interest is determined in accordance with Section 8.1 (the "Transfer Option Period"), the Optionees shall have the option to purchase the Offered Interest for its Fair Value upon the Deferred Payment Terms. The Optionees collectively may not exercise such option as to less than the entire Offered Interest and must exercise such option by notice delivered in writing to the Transferring Member prior to the expiration of the Transfer Option Period, which notice shall fix a date for the transfer that is at least ten (10), but not more than ninety (90), days after delivery of such notice. If such option is not so exercised by the Optionees, the Transferring Member may transfer the entire Offered Interest to the person named in the Transferring Member's initial notice, provided, however, that if the transfer is not completed within thirty (30) days after the expiration of the Transfer Option Period, the



Transferring Member must again comply with the provisions of this Article 8 before transferring the Offered Interest.

8.5 Pledges. Nothing in this Article 8 shall in any way limit or restrict the right of any Member to pledge his, her or its Membership Interest as security, provided, however, that any pledgee of a Membership Interest shall be subject to and shall comply with the provisions of this Article 8 prior to selling or transferring the pledged Membership Interest to any person other than the pledgee or the pledgee's legal representatives as pledgee.

8.6 Precedence of Member Agreement. If no fewer than all the Members enter into a separate members agreement governing their respective rights and obligations with respect to the transfer of Membership Interests, then in the event of any conflict between the terms of such agreement and this Article 8, the terms of such agreement shall govern to the extent necessary to eliminate such conflict.

8.7 Effect of Transfer. Upon compliance with this Article 8 and the execution of such instruments as may be reasonably required by the Company to effect the resulting transfer of the Offered Interest and confirm the agreement of the transferee to be bound by the provisions of this Operating Agreement, the Member's transferee or personal representatives, assignees or other successors shall be entitled to all the economic benefits of the former Member and shall succeed to the former Member's Capital Account, and shall have all other rights of membership in the Company. If the transfer is triggered by an Event of Withdrawal, as defined in Section 9.1, and there are no exercising Optionees, the Transferring Member's successors and assigns shall automatically be entitled to all the benefits of membership in the Company. In no event shall an Event of Withdrawal cause the dissolution of the Company.

## ARTICLE 9

### WITHDRAWAL RIGHTS OF MEMBERS

9.1 Events of Withdrawal; Effect. Upon the occurrence of any of the events specified in Section 692 of the Act, including without limitation voluntary withdrawal, death, adjudication of incompetency, bankruptcy, insolvency or dissolution, (each such event being an "Event of Withdrawal"), the withdrawing Member shall be deemed a Transferring Member, and the rights and obligations of such withdrawing Member shall be as specified in Article 8.

9.2 No Voluntary Right to Withdraw. No Member may withdraw voluntarily from the Company without first obtaining the consent of all the other Members and complying with the provisions of Article 8. Any Member who breaches this provision shall be liable to the Company for damages resulting from such breach.



## ARTICLE 10

### ADDITION OF MEMBERS AND MEMBERSHIP INTERESTS

10.1 Addition of Members or Membership Interests. The Company shall not reserve for issuance, authorize the issuance of, agree to issue, or issue any additional Membership Interests, any security or debt convertible into or exchangeable for Membership Interests, or any options, warrants or rights to acquire Membership Interests except with the prior consent of all the Members and upon due authorization by the Managers.

10.2 Written Agreement Prior to Issuance. In the event the Company takes any of the actions set forth in Section 10.1, every person acquiring such additional Membership Interest, security, debt, option, warrant or right shall agree in writing, as a condition precedent to the issuance thereof, to be bound by all the provisions of this Operating Agreement.

## ARTICLE 11

### STANDARD OF LIABILITY; INDEMNIFICATION

11.1 Standard of Liability. The taking by a Manager or Member of any action or the failure by a Manager or Member to take any action, the effect of which is to cause loss or damage to the Company or its assets, shall not subject the Manager or Member to any personal liability to the Company or the other Members unless such Manager or Member is found not to have acted honestly or in the reasonable belief that his, her or its action or failure to act was in, or not opposed to, the interests of the Company and the Members.

11.2 Indemnification. The Company shall indemnify the Managers and the Members, and shall make advances for expenses incurred in defense of claims of liability to the maximum extent permitted under the Act. The Company shall indemnify its employees, agents and officers who are not Manager or Members to the fullest extent permitted by law, provided such indemnification shall first be approved by the Managers. The right to indemnification under this Article 11 shall be fully vested with respect to any and all matters, and no amendment to this Operating Agreement shall have any retroactive effect upon such right except to enhance such right for the benefit of the indemnitee.

## ARTICLE 12

### MISCELLANEOUS

12.1 Registered Agent and Office. The Company shall have such Registered Agent and Registered Office as may be determined from time to time by the Managers and as reported on filings made with the Secretary of State of the State of Maine, as required by the Act. The Registered Agent shall have the authority to file Annual Reports on behalf of the Company with the Secretary of State of the State of Maine.



12.2 Accounting Period and Methods. The Company's accounting period shall be the calendar year. The Company shall use whatever accounting methods the Managers deem most advantageous.

12.3 Records. The Company shall maintain complete and accurate books and records of the Company's affairs for inspection by the Members and shall permit such inspections at all reasonable times. At a minimum, the Company shall maintain copies of its Articles of Organization and this Operating Agreement and any amendments thereto, together with all tax returns and financial statements for the past six (6) years, consents and minutes of all meetings of the Members and Managers, current and past lists of all Members with their addresses, and all documents relating to any Member's obligation to contribute cash, property or services to the Company.

12.4 Tax Matters. The Managers shall from time to time appoint one Member to serve as the Company's "Tax Matters Member" pursuant to the Internal Revenue Code and shall appoint such Member's successor in the event such Member is unable to serve in such capacity. The Tax Matters Member shall cause the Company to file all necessary tax or informational returns and shall provide copies thereof to the other Members within 120 days thereafter. All elections permitted to be made for income tax purposes shall be made by the Tax Matters Member with the consent of the Members.

12.5 No Exclusive Duty. Members and Managers shall have no obligation to devote their full time and attention to the Business, but may engage in other business ventures, subject to their duty of loyalty to the Company. Neither the Company nor any Members shall have any right to the profits derived from such other ventures except to the extent that the Company or its Members have an independent interest therein.

12.6 Notices. Any notices required under this Operating Agreement shall be in writing, addressed to the Company at its principal office or addressed to any Member at the most recent address reflected in the record books of the Company. Such notices shall be deemed given upon delivery in person or by facsimile, or the following day after being sent by overnight delivery, or three (3) days after being mailed by first class certified mail, postage prepaid, return receipt requested.

12.7 Applicable Law. This Operating Agreement shall be governed and construed in accordance with the laws of the State of Maine.

12.8 Counterparts; Severability; Waiver; Binding Nature. This Operating Agreement may be signed in multiple counterparts, each of which shall be deemed an original. The invalidity, unenforceability or waiver of one provision of this Operating Agreement shall not affect any other provisions hereof. This Operating Agreement shall be binding upon the parties and their respective heirs, successors and assigns.

12.9 Disputes. The Members shall attempt to resolve any dispute among them relating to this Operating Agreement or the affairs of the Company through non-binding mediation undertaken by the parties in good faith. If such a dispute remains unresolved through such



mediation after sixty (60) days, any party shall have the right to seek appropriate remedies at law or in equity.

12.10 Amendments. This Operating Agreement and the Company's Articles of Organization may be amended only by prior written consent of Members holding at least two-thirds of the Membership Interests.

WITNESS THE EXECUTION HEREOF ON THE DATE FIRST ABOVE WRITTEN.

A handwritten signature in black ink, appearing to read "Scott P. Lalumiere", is written over a horizontal line.

Scott P. Lalumiere



**SCHEDULE A**  
**MEMBERSHIP INTERESTS**

**Name and Address**

**Membership Interest**

Scott P. Lalumiere

100%



**SCHEDULE C**

**OFFICERS**

**Renee Lewis, Manager**

**Paul E. Peck, Registered Agent**



CORPORATE SEAL

July 1, 1944.

Before me, Nathan W. Thompson Justice of the Peace  
Received October 9, 1944, at 2h 45m P. M., and recorded according to the original

Before me, Nathaniel Simkins Notary Public Notarial Seal  
Received October 9, 1944, at 3h -m P. M., and recorded according to the original

NOW THEREFORE, in consideration of one dollar (\$1.00) and other valuable considerations, the sum being less than one hundred dollars (\$100.00) paid by said Central Maine Power Company, the receipt whereof is hereby acknowledged, Cumberland Securities Corporation, a corporation organized and existing by law, does hereby for itself, its successors and assigns forever, give, grant, bargain, sell and